

**City of Fremont/
Fremont Public Financing Authority**

**Continuing Disclosure Annual Report
Fiscal Year 2008/09
(Per SEC Rule 15c2-12(b)(5))**

**\$14,420,000
1998 Revenue Bonds, Series B
(Local Improvement District 23R)**

Final Maturity: September 2, 2011

CUSIP Numbers

357145 BE0*	357145 BF7*	357145 BG5*
357145 BH3*	357145 BJ9*	357145 BK6*
357145 BL4*	357145 BM2*	357145 BN0*
357145 BP5*	357145 BQ3*	357145 BR1
357145 BS9		

*** Bonds retired at their scheduled
payment dates, as of March 31, 2010.**

March 31, 2010

Continuing Disclosure Annual Report
For the City of Fremont/Fremont Public Financing Authority
1998 Revenue Bonds, Series B
(Local Improvement District 23R)
Fiscal year 2008/09

This report contains certain information required to be filed annually per SEC rule 15c2-12(b)(5) (the “Rule”) by the City of Fremont (the “City”) and the Fremont Public Financing Authority (the “Authority”). The Rule is applicable to the Revenue Bonds, Series B issued by the Authority pursuant to the authority granted by the Trust Agreement dated August 1, 1998, between the Authority and the BNY Western Trust Company (the “Trustee”), in the aggregate sum of \$14,420,000 (the “Bonds”).

SEC rule 15c2-12(b)(5) requires that an issuer undertake in a written agreement or contract, for the benefit of holders of the securities issued, to file the following:

- i. Certain financial and Bond information as presented in the Continuing Disclosure Certificates
- ii. Audited financial statements
- iii. Notice of certain enumerated significant events
- iv. Notice of any failure to provide such annual financial information as agreed

In compliance with SEC rule 15c2-12(b)(5), the Authority signed a Continuing Disclosure Certificate related to the Bonds on August 18, 1998. This certificate requires the City and the Authority to make the various informational and event disclosures listed above either annually or within a reasonable time after their occurrence. These disclosures must be filed with the Electronic Municipal Market Access system (EMMA) operated by the SEC, and will include:

1. The City’s audited financial statements (which include the Authority as a component unit of the City) prepared in accordance with generally accepted accounting principals as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board, and as further modified according to applicable State law. These financial statements include operating data with respect to the City for the fiscal period reported upon.

THE CITY’S ANNUAL FINANCIAL STATEMENT IS PROVIDED SOLELY TO COMPLY WITH THE SECURITIES and EXCHANGE COMMISSION STAFF’S INTERPRETATION OF RULE 15C2-12. NO FUNDS OR ASSETS OF THE CITY ARE REQUIRED TO BE USED TO PAY DEBT SERVICE ON THE BONDS AND THE CITY IS NOT OBLIGATED TO ADVANCE AVAILABLE FUNDS FROM THE CITY TREASURY TO COVER ANY DELINQUENCIES. INVESTORS SHOULD NOT RELY ON THE FINANCIAL CONDITION OF THE CITY IN EVALUATING WHETHER TO BUY, HOLD OR SELL THE BONDS.

These financial statements include operating data with respect to the City for the fiscal period reported upon. A copy of the 2009 Comprehensive Annual Financial Report (CAFR) for the City of Fremont (for fiscal year 2008/09) is available on the City of Fremont's website at the following link:

→ <http://www.fremont.gov/index.aspx?NID=527>

2. The following additional disclosures specified by the continuing disclosure certificate relate to the Bonds and the Assessment Bonds:

- i. The principal amount of the Bonds, outstanding at June 30, 2009, was **\$3,690,000**.
- ii. The balances in the funds and accounts held under the Indenture of Trust and under the Assessment Bond Resolution at June 30, 2009, were:

→ **City of Fremont - Principal and Interest: \$1,301,735**

Bank of New York Western Trust

Principal and Interest:	\$190,912
Reserve Account	\$1,184,004

- iii. The total assessed value of all parcels in the Reassessment District for fiscal year 2008/09 was **\$412,694,932**.
- iv. The assessment roll for the Assessment District for the most recent fiscal year showing the assessments levied for that fiscal year:

→ **\$1,514,313**

- v. Total assessed value (per County Assessor records) of all parcels currently subject to assessment:

→ **Please see iii above.**

- vi. If total delinquencies within the Assessment District as of October 1 of any year exceed 5% of the aggregate assessments for the previous fiscal year, then delinquency information must be provided, including the following: (a) list of all delinquent parcels, (b) length of delinquency, and (c) status of foreclosure proceedings.

→ **Not applicable.**

Reporting of Significant Events

Pursuant to the provisions of the Continuing Disclosure Certificates, the City shall give, or cause to be given, notice of the occurrence of any of the following events, if material:

- 1) Principal and interest payments delinquencies.
- 2) Non-payment related defaults.
- 3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- 4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- 5) Substitution of credit or liquidity providers, or their failure to perform.
- 6) Adverse tax opinions or events affecting the tax-exempt status of the security.
- 7) Modifications to rights of security holders.
- 8) Bond calls.
- 9) Defeasances.
- 10) Release, substitution, or sale of property securing repayment of the securities.
- 11) Rating changes.

→ **The Authority early redeemed \$190,000 face amount on September 3, 2009, and another \$450,000 face amount on March 2, 2010, (both at a price of 101) in addition to the scheduled debt service payment. These early redemptions both related to the expiries of September 3, 2011. These redemptions applied cash from accumulated penalties and interest paid in prior fiscal years on delinquent assessment payments. The bonds were redeemed with the notice and in the manner prescribed by the indenture of Trust in order to achieve interest cost savings.**

→ **Except as described above, no significant events occurred over the past fiscal year relating to the Bonds.**

Dated: March 31, 2010

City of Fremont



By Harriet V. Commons,
Finance Director/Treasurer
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APPENDIX A

*City of Fremont
Audited Financial Statements
for the Fiscal Year Ended June 30, 2009*
